

*City Council's  
Adopted Budget*

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*Expenditure Estimates*

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*Section*

## HOW TO READ THE EXPENDITURE SECTION

Reading the expenditure section of the Mayor's 2006-2007 Adopted Budget requires some orientation for those who are not familiar with how Hartford presents its budget. The methodology that was used to prepare and present the expenditures reflects the Hartford Budget Model. The budget process started at zero and targets were established for each department based on a combination of factors including projected revenue, the cost of legally mandated activities and the Mayor's goals and priorities. From there, departments were required to justify their requested expenditure amounts by program and activity. Each department's Program Activities Map contains a description of the program and activities to be carried out. Departments not only submitted total general fund costs for each activity but also ranked their activities, with those that met a required mandate or one of the Mayor's Goals being ranked highest. Departments were also required to submit Decision Packages for any activity that, by ranking, did not fall within their target. It is here that departments could make a persuasive case to justify the activity. The Mayor then reviewed all activities and determined those to be Adopted – either within target or requested in Decision Package- and the amount to be allocated based on their ranking with regard to meeting goals, their provision of essential services or their being legally mandated.

On each department page, a **Department Summary** is displayed with two sections. The Division section is the historical data from the previous years. The Program section looks at the department's operations, categorized by programs consisting of activities and budgeted cost by activity. The section also tells the reader how much money was spent in FY 2004-2005 under the heading "Actual" how much money was legally appropriated for FY 2005-2006 under the heading "Adopted" , and an estimate of how much was spent during FY 2005-2006 under the heading "Revised". The Council's adopted spending levels for fiscal year 2006-2007 are under the heading "Adopted".

**Department Organization by Program and Program Percentage of Total Budget** illustrates the organization structure of the department and the cost of each program as a percentage of the Adopted Budget.

**Mission Statement** clarifies the department's responsibility.

**Significant Features** illustrate the expenditure increases or decreases from the 2005-2006 Adopted Budget. They also identify the cost of legally mandated activities as a percentage of the Adopted Budget.

**Department Budget Summary** totals information is divided into two categories: General Fund and Other funds.

- **Fund Total** represents total expenditures.
- **Positions** represents total authorized positions for each fund.
- **Revenue** provides information on total non-tax revenue funds for each fund received by the department.
- **Fringe Benefits Cost** is 45.60% for each employee within a fund. It is calculated using the payroll base rate of 24.56%, the pension rate, determined by the actuary of 13.39%, and FICA of 7.65%, excluding sworn Police and Fire personnel.

**Budget Highlights** documents the accomplishments of a department during 2005-2006 and intended activity for 2006-2007.

**Program and Program Activities** summarizes information at the program level and explains activities included in each program. Specifically, the goal of each program and each activity is defined, whether or not the activity is legally mandated or meets one the Mayor's goals is indicated, as is the cost of each activity and total program cost.

**Key Performance Measures** include an illustrative report of actual, estimated and projected data. In FY 2005-2006, departments began tracking performance. The measures that each department determined to be their "critical few" are included for each program.

**Department Charts and Graphs** track one or more significant key performances measures.

A well designed and documented program performance budget will provide more information to the Mayor, the Court of Common Council and the public about City services that, in turn, will assist the Mayor and Council in the budget deliberation and approval process.

The addition of performance measures and performance targets to the budget process is a practice Adopted by the Government Finance Officers Associations to aid in communicating the accomplishments planned with budget resources. Performance measurement, when linked to the budget and strategic planning process, can assess accomplishments on an organization-wide basis. When used in the long-term planning and goal setting process and linked to the entity's mission, vision, goals, and objectives, meaningful performance measurements assist government officials and citizens in identifying financial and program results, evaluating past resource decisions and facilitating qualitative improvements in future decisions regarding resource allocation and service delivery. When coupled with performance reporting, this practice enhances transparency in budgeting and accountability for results.

**Strategic Business Plans** provide direction and guidance to departments in guiding their alignment of activities with objectives to address strategies toward fulfilling the City's goals. They are included at the end of each department.